



EXECUTIVE STOCK OWNERSHIP POLICY

The Compensation Committee of the Board of Directors of PTC believes that PTC executives are more aligned with stockholder interests when they are stockholders themselves. Accordingly, the Committee has adopted this stock ownership policy to align the executives' interests with those of PTC stockholders. The policy requires all officers of the Company subject to the reporting requirements of Section 16 of the Securities Exchange Act of 1934 ("Executive Officers") to attain and retain a specified ownership level of PTC common stock.

Executive Officers are required to attain and retain an ownership level of PTC common stock having a value equal to, for the Chief Executive Officer, five times (5x), and, for all other Executive Officers, three times (3x), their respective annual salary (the "Minimum Holding Level"). The applicable Minimum Holding Level will be calculated at the time of any proposed sale of PTC stock and annually on the day of the Annual Meeting of Stockholders. For purposes of calculating the Minimum Holding Level at the time of any proposed sale, the closing price of PTC stock as reported by NASDAQ for the day preceding the request will be used. For purposes of the annual calculation, the average of the closing prices of PTC stock as reported by NASDAQ over the thirty calendar days preceding Annual Meeting will be used. If a proposed trade would cause the Executive Officer to fall below the Minimum Holding Level, the trade will be approved only as to the amount that exceeds the Executive Officer's Minimum Holding Level. Common stock that counts towards the Minimum Holding Level includes all stock beneficially owned by the Executive Officer, including stock owned jointly with, or separately by a spouse and/or minor children, but excludes unvested equity and stock underlying stock options.

If at the time an Executive Officer exercises options or vests in PTC stock (excluding equity that has been awarded as part of the Executive Officer's Corporate Incentive Plan bonus) the Executive Officer has not attained his/her Minimum Holding Level, the Executive Officer shall retain in such transaction the lesser of the following:

- The number of shares equal to sixty percent (60%) of the value of shares exercised or vested after deducting taxes at an assumed tax rate of forty percent (40%); and
- The number of shares necessary to reach the Executive Officer's applicable Minimum Holding Level.

The Committee understands that there may be instances where this policy would place a hardship on an Executive Officer. In such event, the Chairman of the Committee will make the final decision as to whether to grant a waiver of the policy, which decision shall balance the goals of this policy and the affected Executive Officer's personal circumstances.